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Most Internet Users Want Alternative to Credit Cards

By Jon Surmacz

May 8, 2003

The majority of U.S. Internet users (**61 percent**) say they would be more likely to make online purchases if there was an alternative to using their credit cards. Although **59 percent** of users have purchased some form of Internet content (classified ads, news, music or games), **53 percent** said they'd be more likely to make purchases if there were more secure payment options. It's currently estimated that **83 percent** of Web users have credit cards.

SOURCE: Javelin Strategy & Research, eContent Magazine, PaymentOne, Jupiter Research

At Least Half of Online Consumers Fear Fraud

By Jon Surmacz

December 16, 2003

More than half of online consumers (**52 percent**) say they are at least somewhat more concerned about using their credit card online this holiday season than last year. Identity theft is the No. 1 concern for consumers (**54 percent**) followed by credit card theft (**26 percent**).

SOURCE: SPSS

Fraudulent E-Commerce Transactions Reach 6.2 Percent

By Jon Surmacz

Fraudulent e-commerce transactions comprised **6.2 percent** of e-commerce transactions through August 2003. The United States leads all countries by a large margin in terms of attempted fraud transactions, accounting for **47.8 percent** of worldwide fraud attempts. The United Kingdom was second at **5.25 percent** followed by Nigeria (**4.81 percent**), Canada (**4.66 percent**) and Israel (**4.46 percent**).

SOURCE: Verisign
November 14, 2003

27 Million Americans Affected by Identity Theft

By Jon Surmacz

September 4, 2003

More than 27 million Americans have been victims of identity theft over the last five years, including **9.9 million** in the last year. Losses attributed to identity theft totaled nearly **\$48 billion** for businesses in the last year while consumer victims reported **\$5 billion** in out-of-pocket expenses. The average business loss to identity theft was **\$4,800**. The average consumer loss was **\$500**.

Losses From Identity Theft To Total \$221 Billion Worldwide

By Jon Surmacz

May 23, 2003

Identity theft will result in the loss of **\$221 billion** worldwide by the end of 2003, with **\$73.8 billion** lost in the U.S. alone. That number equals the total losses from 2002, when identity theft caused **\$73.8 billion** in losses worldwide, with the U.S. accounting for about a third of that with **\$24.6 billion**. By 2005, losses from identity theft could amount to **\$2 trillion** worldwide, if the **300 percent** compound annual growth rate continues.

SOURCE: Aberdeen Group

Fraud Complaints Triple

By Jon Surmacz

U.S. Internet fraud complaints to federal, state and local agencies tripled from **16,775** to **48,252** between December 31, 2001 and December 31, 2002. **Almost half (46 percent)** of referred complaints dealt with Internet auction fraud, while close to **one-third (31 percent)** were about non-delivery of merchandise and non-payment. The highest median dollar loss was **\$3,864**, which came from victims of Nigerian letter fraud. That was followed by those whose identity had been stolen (**\$2,000** median loss) and check fraud victims (**\$1,100**).

April 9, 2003

Most Online Buyers Worried About Credit Card Data

By Jon Surmacz

February 13, 2003

Among American consumers age 18 and over, **92.4 percent** were either somewhat or very or extremely concerned about the security of their credit card information when purchasing online in 2002. That's a slight decrease from 2001, when **94.4 percent** said they were somewhat or very or extremely concerned. However, concern among consumers about access to their personal information when purchasing online dropped significantly between 2001 and 2002, with **88.8 percent** of persons age 16 or over expressing some concern in 2002, as opposed to **94.6 percent** the year before.

SOURCE: The UCLA Internet Report from the Center for Communication Policy at UCLA

Fraud To Cost Retailers \$500 Million During the Holidays

By Jon Surmacz

December 19, 2002

Credit card fraud causes online retailers to lose around **1 percent** of transaction volume and sales revenues. It's predicted that the loss of sales because of fraud and suspect purchases will cost online retailers **\$500 million** during the holiday season this year. About **6 percent** of sales are rejected because they're considered suspect, but up to **one-third** of those rejections may be mistakes. In total, fraud will cost retailers **\$160 million** from October to December 2002. Suspect sales mistakes will have cost retailers up to **\$315 million** in the fourth quarter of 2002.

SOURCE: Gartner Group

Most Americans have Internet-security concerns

By Jon Surmacz

December 13, 2001

More than **70%** of Americans are concerned about Internet security. Another **74%** are worried about what may happen to their personal information over the Internet. More than half (**71%**) expressed at least "some" faith in the U.S. government to prevent cyber attacks.

SOURCE: Information Technology Association of America